who had arrived at Delhi airport by Flight No. DA-019, was intercepted while walking through the green channel. On being asked to declare if he had any dutiable or contraband goods, he replied in the negative. On personal search, Shri Mehta was found to have been concealing a cloth waist belt under his under garment. On examination of this waist belt 132 gold biscuits of 10 tolas each with foreign markings, totally weighing 15397 grammes valued at about Rs. 43.71 lakhs were recovered and seized. Indian currency worth Rs. 600/- and two travellers cheques for Rs. 1500/- were also recovered and seized. Shri Mehta was arrested under the provisions of Customs Act and was produced before A.C.M.M., New Delhi who remanded him to judicial custody.

Indians on board of directors of companies sponsored by Bofors

3866. SHRI A. G. KULKARNI: Will the Minister of FINANCE be pleased to state:

(a) whether Government have enquired as to how many Indians are sitting on the Board of Directors of companies sponsored by Bofors in India;

(b) what are the products manufactured by such companies in collaboration with Bofors; and

(c) whether Government propose to advise those Indians who are on the Board of Directors to resign to help Government to clear unnecessary criticism?

THE MINISTER OF STATE IN THE DEPARTMENT OF EXPENDITURE IN THE MINISTRY OF FINANCE (SHRI B. K. GADHVI): (a) to (c) The information is being collected and will be laid on the Table of the House to the extent available.

Misappropriation in State Bank of Indore, Agra branch

3867. SHRI KAILASH PATI MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that misappropriation of about Rs. 22,00,000 through some letter of credit, Dbp. Bills took place in the State Bank of Indore, Agra Branch in Uttar Pradesh recently;

(b) if so, the details thereof and the names of officers involved in this case; and

(c) the follow up action taken by the Bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) State Bank of Indore has reported that there has been no mis-appropriation of about Rs. 22.00 lakhs at its Agra branch. However, bills purchase facility sanctioned to two parties had become irregular because of return of bills. In one case the full amount has been recovered and steps have been taken for the recovery of dues in the other case also. In accordance with the provisions of the statutes governing the nationalised banks and in accordance with the practices and usages customary among bankers, further information relating to the affairs of the constituents cannot be divulged. The Bank has reported that there appear to be lapses in making assessment of the parties as also in handling the bills purchase business. The Bank has taken steps to fix staff accountability in this regard.

Misappropriation in State Bank of Indore

3868. SHRI KAILASH PATI MISHRA: Will the Minister of FINANCE be pleased to state:

(a) whether misappropriation of about two crore rupees through some letter of credit bills took place in the State Bank of Indore, Yeshwant Niwas Road branch, Indore recently;

(b) if so, the details thereof and the names of employees found guilty in this case; and

(c) the follow-up action taken by the bank?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) Reserve Bank of India have intimated that no case

of misappropriation of about Rs. 2 crores through letter of credit bills has been reported by State Bank of Indore, Yashwant Niwas Road Branch, Indore. However, a case of fraud of Rs. 2.03 lakhs which was committed at the said Branch in May 1987, has been reported by the Bank to the RBI. The RBI have further intimated that the Bank has reported the matter to the Police. The Bank has also placed five officials under suspension.

Fraud in State Bank of Indore

3869. SHRI ASHWANI KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that fraud was detected in payment of Bonus and the case was registered by C.B.I. on the 27th October, 1986 against the State Bank of Indore, Head Office, Indore;

(b) if so, the details thereof and the number of Bank employees/officer found guilty; and

(c) whether there is a possibility of such frauds having been committed during the previous years also?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) State Bank of Indore has reported that a fraud of Rs. 2.53 lakhs approximately which was perpetrated by inflating the summary totals and grand totals of bonus registers for the bonus payable for the years 1978, 1979, 1980 and 1981, was detected at the Head Office of the Bank. In connection with this case the Bank has placed under suspension from its service three bank officials. The CBI have also registered a case on 27-10-86 u/s 120B r.w 420,468,471. 477A IPC and Section 5(2), r/w 5(1) (d) of P.C. Act, 1947, for investigation of this fraud.

Fraud in State Bank of Indore, Amana Branch

3870. SHRI ASHWANI KUMAR: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that a case of fraud about 55 lakhs was detected in State Bank of Indore Branch 'Amana' District Dewas in Madhya Pradesh during the previous years;

(b) if so, what are the details thereof; and

(c) the number of employees found guilty and what is the present position of the case?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI JANARDHAN POOJARI): (a) to (c) Reserve Bank of India (RBI) has reported that two cases of fraud, involving amounts of Rs. 119.46 lakhs and of Rs. 12.85 lakhs were detected in State Bank of Indore, Amana Branch, District Dewas in Madhya Pradesh, on 8.8.77 and 12-9-84 respectively. RBI has further reported that in the first case the fraud had been committed by the party by manipulation in the hypothecation stock statement and disposal of hypothecated stocks without crediting the proceeds thereof to the accounts and that the funds had been utilised by the party for:

(1) Project over-run/acquisition of fixed assets;

(2) losses during gestation period;

(3) operational cash losses; and

(4) investment in associate concern.

No staff involvement was noted by State Bank of Indore in this case. The Bank has, however, been advised by the RBI to place this case before its Board of Directors.

In so far as the second case is concerned, State Bank of Indore has reported that the Police, with whom it had lodged a complaint against the party for unauthorised removal of stocks, have submitted a Revision Petition which is pending in the Court. The Bank has further reported that the civil suit filed by it against the party for the recovery of its dues is also ing before the Court. In the meantime, the Bank has cautioned the concerned officials for the procedural lapses commited by them in this case.